IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

In re:	)	
	)	
FRANCHISE SERVICES OF NORTH AMERICA INC.	)	**CASE NO. 17-02316-EE**
	)	**Chapter 11**
	)	
Debtor	)	
	)	

NOTICE OF FILING OF STOCK PURCHASE AGREEMENT AS TRANSACTION TEMPLATE PURSUANT TO MOTION FOR AN ORDER: (A) TO APPROVE SALE PROCEDURES IN CONNECTION WITH THE SALE OF ALL OF THE DEBTOR'S STOCK IN U-SAVE HOLDINGS, INC.; (B) AUTHORIZING THE SALE OF ASSETS; (C) SCHEDULING AN AUCTION TO CONDUCT THE SALE; (D) SCHEDULING A SALE HEARING FOR APPROVAL OF THE SALE AND APPROVING NOTICE THEREOF; (E) APPROVING NOTICE OF CERTAIN DATES, TIMES, AND PLACES AND PROPOSED NOTICE PROCEDURES; AND (F) GRANTING RELATED RELIEF

[Dkt. # 106]

Franchise Services of North America, Inc. as debtor and debtor-in-possession (the "***Debtor***"), through its counsel, and files this *Notice of Filing of Stock Purchase Agreement as Transaction Template Pursuant to Motion for an Order: (A) To Approve Sale Procedures in Connection with the Sale of All of the Debtor's Stock in U-Save Holdings, Inc.; (B) Authorizing the Sale of Assets; (C) Scheduling an Auction to Conduct the Sale; (D) Scheduling a Sale Hearing for Approval of the Sale and Approving Notice Thereof; (E) Approving Notice of Certain Dates, Times, and Places and Proposed Notice Procedures; and (F) Granting Related Relief.*

The Stalking Horse bid, as set forth in the 363 Sale Term Sheet (the "***Initial Stalking Horse Bid***") from Trace Residential Properties LLC (the "***Initial Stalking Horse Bidder***") was attached as **Exhibit B** to the *Motion for an Order: (A) To Approve Sale Procedures in Connection with the Sale of All of the Debtor's Stock in U-Save Holdings, Inc.; (B) Authorizing* *the Sale of Assets; (C) Scheduling an Auction to Conduct the Sale; (D) Scheduling a Sale Hearing for Approval of the Sale and Approving Notice Thereof; (E) Approving Notice of Certain Dates, Times, and Places and Proposed Notice Procedures; and (F) Granting Related Relief* [Dkt. # 106] (the "***Sale Procedures and Sale Motion***").[1] The Sale Procedures and Sale Motion contemplated that the Debtor would prepare and file a Stock Purchase Agreement reflecting the Initial Stalking Horse Bid which also would serve as a template for the Subject Transaction (the "***Transaction Template***").

NOTICE IS HEREBY GIVEN that the Stock Purchase Agreement template for the Subject Transaction and the Transaction Template is attached hereto as **Exhibit A**.

NOTICE IS FURTHER GIVEN that the Debtor reserves the right to amend the Stock Purchase Agreement template for the Subject Transaction and the Transaction Template.

Dated: August 18, 2017.

Respectfully submitted,

FRANCHISE SERVICES OF NORTH AMERICA INC.

By: */s/ Stephen W. Rosenblatt*

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ATTORNEYS FOR THE DEBTOR

[1] All capitalized terms not otherwise defined in this Notice shall have the meaning ascribed to such terms in the Sale Procedures and Sale Motion.

CERTIFICATE OF SERVICE

I certify that the foregoing pleading was filed electronically through the Court's ECF system and served electronically on all parties enlisted to receive service electronically.

SO CERTIFIED, this the 18th day of August 2017.

/s/ Stephen W. Rosenblatt
STEPHEN W. ROSENBLATT

Exhibit A

Stock Purchase Agreement template for the Subject Transaction and the Transaction Template

37789855

STOCK PURCHASE AGREEMENT

by and between

[TRACE RESIDENTIAL PROPERTIES LLC][1]

as Purchaser

and

FRANCHISE SERVICES OF NORTH AMERICA INC.

as Seller

[•][•], 2017

[1] To be confirmed

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STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT ("**Agreement**") is made and entered into effective as of [•][•], 2017 (the "**Effective Date**"), by and between **TRACE RESIDENTIAL PROPERTIES LLC**, a [•] limited liability company ("**Purchaser**"),[2] and **FRANCHISE SERVICES OF NORTH AMERICA INC.**, a Delaware corporation ("**Seller**"). All initially capitalized terms used in this Agreement, including the terms used above and in the Recitals below, shall have the meanings set forth in **Article 1** hereof (which definitions shall be controlling).

RECITALS:

A. Seller is currently in possession of its assets as Debtor-in-Possession pursuant to 11 U.S.C. §§ 101 *et seq*. (the "**Bankruptcy Code**"), in the Chapter 11 case of Franchise Services of North America Inc., Case No. 17-02316-EE (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Southern District of Mississippi (the "**Bankruptcy Court**").

B. Seller owns all of the capital stock (the "**Stock**") in U-Save Holdings, Inc., a Mississippi corporation (the "**Company**").

C. Seller, upon proper approval and authorization from the Bankruptcy Court, may sell and assign the Stock outside of the Ordinary Course of Business (defined below).

D. Purchaser and Seller executed that certain Non-Binding 363 Sale Term Sheet, dated June 26, 2017, which provided for the sale of the Stock to Purchaser according to the terms set forth therein.

E. Seller filed that certain *Motion for an Order (A) To Approve Sale Procedures in Connection with the Sale of All of the Debtor's Stock in U-Save Holdings, Inc.; (B) Authorizing the Sale of Assets; (C) Scheduling an Auction to Conduct the Sale; (D) Scheduling a Sale Hearing for Approval of the Sale and Approving Notice Thereof; (E) Approving Notice of Certain Dates, Times, and Places and Proposed Notice Procedures; and (F) Granting Related Relief* [Dkt. # 106] filed with the Bankruptcy Court on, July 31, 2017 (the "**Sale Motion**"), seeking the approval of the Bankruptcy Court for the Contemplated Transaction (defined below).

F. On August ___, 2017, the Bankruptcy Court entered its *Order Granting Motion for an Order (A) To Approve Sale Procedures in Connection with the Sale of All of the Debtor's Stock in U-Save Holdings, Inc.; (B) Authorizing the Sale of Assets; (C) Scheduling an Auction to Conduct the Sale; (D) Scheduling a Sale Hearing for Approval of the Sale and Approving Notice Thereof; (E) Approving Notice of Certain Dates, Times, and Places and Proposed Notice Procedures; and (F) Granting Related Relief* [Dkt. # ___] (the "**Sale Procedures Order**").

G. Seller desires to sell, assign, transfer and convey the Stock to Purchaser, all upon the terms and conditions set forth herein and in accordance with a Final Sale Order on the Sale Motion and Sections 105, 363 and 365 of the Bankruptcy Code.

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[2] To be confirmed.

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties, covenants, agreements, terms and conditions set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1
DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Rules of Construction. As used in this Agreement: (a) all defined terms in the singular and plural shall have comparable meanings when used in the plural and vice-versa, unless otherwise specified; (b) all pronouns and any variations thereof shall be deemed to refer to masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require; (c) the words "hereof," "herein," "hereunder" and words of similar import shall refer to this Agreement as a whole and not any particular provision of this Agreement, except when the context clearly indicates otherwise; (d) the word "party" or "parties" when used in this Agreement means only those Persons or entities who are signatories to this Agreement; (e) the words "include," "includes" and "including" will be deemed to be followed by the phrase "without limitation"; (f) unless otherwise specified in the computation of a period of time from a date to a later specified date, the word "from" means "from and including," and the words "to" and "until" each mean "to but excluding"; and (g) references to all documents, contracts, agreements or instruments shall include any and all supplements and amendments thereto.

1.2 Definitions. Subject to the provisions of **Section 1.1** above, the following words and phrases used in this Agreement shall have the following meanings:

1.2.1 "**Affiliate**" means, with respect to any Person, (i) any Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with such Person; (ii) any officer, director, general partner, member (if such Person is a member managed limited liability company), manager (if such Person is a manager managed limited liability company) or trustee of such Person; or (iii) any Person who is an officer, director, general partner, member (if such Person is a member managed limited liability company), manager (if such Person is a manager-managed limited liability company) or trustee of any Person described in clauses (i) or (ii) of this sentence. For purposes of this definition, the term "controls," "is controlled by" or "is under common control with" shall mean the possession, directly or indirectly through one or more intermediaries, of the power to (1) direct or cause the direction of the management and policies of a Person, whether through the ownership of voting interests, by contract or otherwise, or (2) elect at lease fifty percent (50%) of the directors or managers or persons exercising similar authority with respect to such Person.

1.2.2 "**Allowed Claim**" means a claim (a) in respect of which a proof of claim has been filed with the Bankruptcy Court within the applicable period of limitation fixed by Rule 3003 of the Federal Rules of Bankruptcy Procedure, or filed thereafter with the Court pursuant to a Final Order, or (b) scheduled in the list of creditors prepared and filed with the Court pursuant to Rule 1007(b) of the Federal Rules of Bankruptcy Procedure and not listed as disputed, contingent, or unliquidated as to amount, and in either case, as to which no written objection to the allowance thereof has been filed within any applicable period of limitation fixed by Rule 3007 of the Federal Rules of Bankruptcy Procedure, or an order of the Bankruptcy Court, or as to which any such objection has been determined by an order or judgment which is no longer subject to appeal and as to which no appeal is pending.

1.2.3 "**Alternative Transaction**" means a transaction in which Seller enters into an agreement to sell, transfer, or otherwise dispose of the Stock with a Person other than Purchaser, which transaction actually closes.

1.2.4 "**Auction**" means the auction for bidders pursuant to the Sale Procedures Order in which qualified bids for the Stock would be made.

1.2.5 "**Business**" shall mean the business, properties, operations, financial condition, prospects or results of operations of the business of the Company Group.

1.2.6 **Business Day**" shall mean and refer to any day other than a Saturday, a Sunday, or a day on which national banks located in Ridgeland, Mississippi, are obligated or authorized to close their regular banking business.

1.2.7 "**Company Group**" means, collectively, the Company and the Lower Tier Subsidiaries.

1.2.8 "**Contemplated Transaction**" means all of the transactions contemplated by this Agreement.

1.2.9 "**Credit Bid Amount**" means an amount equal to all Allowed Claims of Purchaser that may be used by Purchaser to offset, or bid, against the Purchase Price of the Stock.

1.2.10 "**DIP Obligations**" means the total Liability owed to Purchaser by Seller pursuant to the post-petition financing obtained by Seller from Purchaser as approved by the Bankruptcy Court.

1.2.11 "**Encumbrance**" means any charge, claim, community property interest, pledge, condition, equitable interest, Lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

1.2.12 "**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

1.2.13 "**Final Order**" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the subject matter, (i) which has not been reversed, stayed, modified, amended, enjoined, set aside, annulled or suspended and (ii) with respect to which no stay shall have been issued in connection with any notice of appeal or petition for certiorari filed within any deadline provided by applicable Law.

1.2.14 "**Final Sale Order**" means an Order of the Bankruptcy Court in such form and substance as shall be reasonably acceptable to Purchaser and Seller, to be issued pursuant to Sections 363 and 365 of the Bankruptcy Code approving the Sale Motion, this Agreement and the Contemplated Transaction.

1.2.15 "**Governing Documents**" means with respect to any entity: (i) if such entity is a corporation, its articles or certificate of incorporation and its bylaws; (ii) if such entity is a limited liability company, its articles of organization or certificate of formation and operating agreement or limited liability company agreement; (iii) if another type of Person, any other charter or similar document adopted or filed in connection with the creation, formation or organization of the Person; and (iv) any amendment or supplement to any of the foregoing.

1.2.16 "**Governmental Authority**" means any (a) nation, state, county, city, town, village, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official or entity and any court or other tribunal); (d) multi-national organization or body; (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature; or (f) any American Indian tribal authority.

1.2.17 "**Indebtedness**" means at a particular time, without duplication, (i) any indebtedness for borrowed money or issued in substitution for or exchange of indebtedness for borrowed money, (ii) any indebtedness evidenced by any note, bond, debenture or other debt security, (iii) any indebtedness for the deferred purchase price of properties or services with respect to which a Person is liable, contingently or otherwise, as obligor or otherwise (other than trade payables and other current liabilities incurred in the Ordinary Course of Business which are not more than ninety (90) days past due based on their invoice date), (iv) any commitment by which a Person assures a creditor against loss (including contingent reimbursement obligations with respect to letters of credit), (v) any indebtedness guaranteed in any manner by a Person (including guarantees in the form of an agreement to repurchase or reimburse), (vi) any obligations under capitalized leases with respect to which a Person is liable, contingently or otherwise, as obligor, guarantor or otherwise, or with respect to which obligations a Person assures a creditor against loss, (vii) any indebtedness secured by a Lien on a Person's assets, (viii) any unsatisfied obligation for "withdrawal liability" to a "multiemployer plan" as such terms are defined under ERISA and (ix) any accrued interest, penalties or prepayment fees related to the foregoing.

1.2.18 "**Laws**" means, with respect to any Person, any law, statute, treaty, rule or regulation or determination of an arbitrator, court or other statutes, laws, rules, regulations and orders of any Governmental Authority applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject, including, without limitation, Environmental Laws, laws relating to wages, hours, hiring (including individuals who are not citizens of the United States), promotion, retirement, working conditions (including the Occupational Safety and Health Act of 1970 and laws of similar import), health and safety, nondiscrimination, sexual harassment, advertising, pricing and sale of services, extension of credit, securities and antitrust laws and the Federal Security Regulations.

1.2.19 "**Liability**" means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

1.2.20 "**Lien**" means any mortgage, pledge, lien (statutory or otherwise), charge, security interest or other Encumbrance (including any conditional sale or other title retention agreement and any lease having substantially the same effect as any of the foregoing and any assignment or deposit arrangement in the nature of a security device).

1.2.21 "**Lower Tier Subsidiaries**" means, collectively, the Company's wholly owned subsidiary, U-Save Auto Rental (defined herein), and the wholly owned subsidiaries of U-Save Auto Rental, being Peakstone Financial Services, Inc., d/b/a Sonoran National Insurance Group, Auto Rental Resource Center, Inc., and U-Save Car Sales, Inc.

1.2.22 "**Material Adverse Effect**" means any change, effect, event, occurrence, development, circumstance or state of facts from that under which Seller is operating in its Bankruptcy Case environment, which has had or would reasonably be expected to have a materially adverse effect on the Business, taken as a whole, or which would materially impair the Seller's ability to perform its obligations under this Agreement or have a materially adverse effect on or prevent or materially delay the consummation of the transactions contemplated hereby; provided, however, that changes in the business, properties, operations, financial condition, prospects or results of operations of the Business arising by reason of any of the following shall not constitute a material adverse effect: (i) changes in conditions in the United States or global economy or capital or financial markets generally, including changes in interest or exchange rates; (ii) factors generally affecting the industries or markets in which the Seller operates; (iii) changes in legal, tax, regulatory, political, or business conditions that generally affect the geographic regions or industries in which the Seller conducts its business; and (iv) acts of war, armed hostilities, sabotage or terrorism, or any escalation or worsening of any such acts of war, armed hostilities, sabotage or terrorism threatened or underway as of the date of this Agreement, but only if such changes, events, effects, conditions, circumstances, states of facts or developments do not have a materially disproportionate adverse impact on the Business relating to other Persons in similar businesses.

1.2.23 "**Ordinary Course of Business**" means the ordinary course of business of Seller, consistent in all material respects with past custom and practice of Seller. Without limiting the effect of the foregoing, the term "Ordinary Course of Business" as used herein shall be consistent with the term "ordinary course of business" as used in Section 363 of the Bankruptcy Code and shall include an action taken by a Person that: (a) is consistent in nature, scope and magnitude with the past practices of such Person and is taken in the ordinary course of the normal, day-to-day operations of such Person, giving consideration to the status of the Seller as a debtor in possession in the Bankruptcy Case; (b) does not require authorization by the board of directors or shareholders of such Person (or by any Person or group of Persons exercising similar authority) and does not require any other separate or special authorization of any nature; and (c) is similar in nature, scope and magnitude to actions customarily taken, without any separate or special authorization, in the ordinary course of the normal, day-to-day operations of other Persons that are in the same line of business as such Person; provided, however, any action taken by Seller after the date of this Agreement that is reasonably necessary to comply with this Agreement, the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the Orders previously entered in the Bankruptcy Case, including any post-petition financing and adequate protection orders, and the requirements of the Office of the United States Trustee, shall be deemed to be in the Ordinary Course of Business.

1.2.24 "**Permits**" means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

1.2.25 "**Person**" means any individual, partnership, firm, corporation, limited liability company, association, joint venture, trust or other entity or any Governmental Authority.

1.2.26 "**Pre-Closing Period**" means the period commencing on the Effective Date and ending on the Closing Date or the earlier termination of this Agreement.

1.2.27 "**Purchaser Representatives**" means, collectively, Purchaser and its officers, directors, governors, employees, agents, counsel, accountants, financial advisors, consultants, lenders and other representatives.

1.2.28 "**Sale Procedures Order**" means a sale procedures order (in form and substance acceptable to Purchaser) that is entered at the final sale procedures hearing in connection with the Bankruptcy Case.

1.2.29 "**Taxes**" means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

1.2.30 "**U-Save Auto Rental**" means U-Save Auto Rental of America, Inc., a Mississippi corporation.

1.3 Other Terms. All initially capitalized terms used in this Agreement that are not defined in **Section 1.2**, the Recitals or the Preamble hereof shall have the meanings set forth in the body of this Agreement; certain terms are located as set forth in the following table:

Defined Term	**Location in Agreement**
Bid Protections	Section 6.4
Business	Section 5.4
Cash Portion	Section 2.2
Closing	Section 3.1
Closing Date	Section 3.1
Contemplated Transaction	Section 3.1

Electronic Transmission	Section 8.5
End Date	Section 7.3
Purchase Price	Section 2.2
Purchaser Default Notice	Section 7.2
Seller Default Notice	Section 7.1
Qualified Bid	Section 6.4

ARTICLE 2
PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Purchase and Sale. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall sell, assign, transfer and convey and deliver to Purchaser, and Purchaser shall purchase from Seller, the Stock, free and clear of all Liens, claims, interests and Encumbrances with respect to Seller.

2.2 Purchase Price. The purchase price for the Purchased Assets will be comprised of three components: (a) a Cash Purchase Price - One Million and no/100 Dollars (USD) ($1,000,000.00) (the "**Cash Purchase Price**") which will consist of (i) a Credit Bid of all DIP Obligations outstanding as of the Closing of the Transaction (the "**Credit Bid Amount**") and (ii) the amount of Cash which, when added to the Credit Bid Amount, will equal to One Million and no/100 Dollars (USD) ($1,000,000.00); (b) a Price for the Unrestricted Cash[3] in the Lower Tier Subsidiaries (the "**Purchase Price for Cash**") on a dollar-for-dollar basis as the amount of Unrestricted Cash is reflected on the books and records of the Closing Date; and (c) an amount equal to zero per cent (0.0%) (the "**Intercompany Percentage**") of the amount owed on the intercompany account from U-Save Auto Rental of America, Inc. to FSNA, which was $2,411,243.00 as of the Petition Date, but will vary prior to Closing.[4] The total of the Cash

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[3] The amount of Unrestricted Cash in the Subsidiaries as of the Petition Date was $855,108.00. The same methodology for determining Unrestricted Cash as of the Closing Date as was used to compute the amount of Unrestricted Cash in the Subsidiaries as of the Petition Date

[4] As reflected in the Global Notes to the Schedules of Assets and Liabilities filed in the Bankruptcy Case [Dkt. # 065]:

> Schedule B71. There is an intercompany account due from U-Save Auto Rental of America, Inc. to FSNA in the amount of $2,539,171.00. The majority of this intercompany indebtedness originated from a transaction in late 2006 and early 2007. On November 30, 2006, Rent-A-Wreck Capital Inc. and U-Save Auto Rental of America, Inc. completed a business combination transaction. The transaction was accounted for as a "reverse-take-over" transaction, whereby U-Save Auto Rental of America, Inc. was deemed the acquirer for accounting purposes. The Company's name was changed from Rent-A-Wreck Capital to Franchise Services of North America, Inc. In February 2007, upon conclusion of a public offering, FSNA repaid approximately $5M in subordinated debt held by U-Save Auto Rental of America, Inc., thereby creating a receivable due to FSNA from U-Save Auto Rental of America, Inc. Over the last 10 years, the balance has been reduced periodically by U-Save Auto Rental of America, Inc.'s paying various trade payables of FSNA, as well as deal costs related to the acquisition of Simply Wheelz LLC, d/b/a Advantage Rent A Car. There have not been regular, structured payments from U-Save Auto Rental of America, Inc. to FSNA, but rather periodic payments made by U-Save Auto Rental of America, Inc. to FSNA on an ad hoc basis, according to the needs of FSNA and the ability of U-Save to make these payments. This intercompany account does not bear interest.

Purchase Price, the Purchase Price for Cash, and the amount of the intercompany account adjusted for the Intercompany Percentage shall be the "**Total Purchase Price**" for the Purchased Assets. The Total Purchase Price, less the Credit Bid Amount, is the cash portion of the Total Purchase Price (the "**Cash Portion**").

2.1 Transactions to be Effected at Closing. At the Closing, (a) Purchaser shall pay to Seller the Cash Portion of the Total Purchase Price by wire transfer of immediately available funds to an account designated in writing by Seller to Purchaser; and (b) Seller shall deliver to Purchaser a stock certificate or stock certificates evidencing the Stock, free and clear of all Encumbrances as to Seller, duly endorsed in blank or accompanied by stock powers or other instruments of transfer duly executed in blank. At Closing, Seller and Purchaser shall also deliver all other agreements, documents, instruments or certificates required to be delivered pursuant to the terms of this Agreement.

ARTICLE 3
CLOSING

3.1 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the Stock contemplated hereby (the "**Contemplated Transaction**") shall take place at a closing (the "**Closing**") to be held at 10:00 a.m., local time in Ridgeland, Mississippi, no later than two (2) Business Days after the last of the conditions to Closing set forth in **Section 3.2** and **Section 3.3** have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date), at the offices of Butler Snow LLP, 1020 Highland Colony Parkway, Ste. 1400, Ridgeland, Mississippi 39158-6010, or at such other time or on such other date or at such other place as Seller and Purchaser may mutually agree upon in writing (the day on which the Closing takes place being the "**Closing Date**").

3.2 Conditions to Purchaser's Obligations. Purchaser's obligation to consummate the Contemplated Transaction is conditioned upon and subject to the satisfaction on or before the Closing Date (or such earlier date as is specified with respect to a particular condition) of each of the following (any one or more of such conditions precedent may be waived by Purchaser in its sole and absolute discretion, if such waiver is set forth in a writing duly executed by Purchaser):

(a) The Bankruptcy Court shall have entered each of the Sale Procedures Order and the Final Sale Order in a form reasonably satisfactory to Purchaser, and the Final Sale Order shall not have been reversed, stayed, modified, or amended in any manner materially adverse to Purchaser and shall have become a Final Order;

(b) Seller shall have performed and complied in all material respects with all terms, covenants and conditions of this Agreement to be performed or complied with by Seller on or prior to the Closing Date;

(c) There shall not have been, or reasonably expected to be, a Material Adverse Effect on the Business or the Stock;

(d) No suit, action or other proceeding shall be pending before any court or Governmental Authority or any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (i) prevent the performance of this Agreement or the consummation of the Contemplated Transaction, (ii) cause the Contemplated Transaction to be rescinded following consummation, or (iii) affect materially and adversely the right of Purchaser to own the Stock, and no such injunction, judgment, order, decree or ruling shall be in effect;

(e) Seller shall have delivered, or caused to be delivered, to Purchaser stock certificates evidencing the Stock, free and clear of Encumbrances as to Seller, duly endorsed in blank or accompanied by stock powers or other instruments of transfer duly executed in blank; and

(f) Purchaser shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Seller, that each of the conditions set forth in **Section 3.2(b)** have been satisfied.

3.3 Conditions to Seller's Obligations. Seller's obligation to consummate the Contemplated Transaction are conditioned upon and subject to the satisfaction on or before the Closing Date (or such earlier date as is specified with respect to a particular condition) of each of the following (any one or more of such conditions precedent may be waived by Seller in their sole and absolute discretion, if such waiver is set forth in a writing duly executed by Seller):

(a) The condition set forth in **Section 3.2(a)** shall have been satisfied;

(b) Purchaser shall have performed and complied in all material respects with all terms, covenants and conditions of this Agreement to be performed or complied with by Purchaser on or prior to the Closing Date;

(c) No suit, action or other proceeding shall be pending before any court or Governmental Authority or any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (i) prevent the performance of this Agreement or the consummation of the Contemplated Transaction, or (ii) cause the Contemplated Transaction to be rescinded following consummation; and

(d) Seller shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Purchaser, that each of the conditions set forth in **Section 3.3(b)** have been satisfied.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents to Purchaser that the statements contained in this **Article 4** are correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the Effective Date):

4.1 Organization and Authority of Seller. Seller is a corporation duly organized, validly existing and in good standing under the Laws of the state of Delaware. Subject to

Bankruptcy Court approval, Seller has full corporate power and authority to enter into this Agreement, to carry out its obligations hereunder and thereunder and to consummate the Contemplated Transaction. This Agreement has been duly executed and delivered by Seller, and (subject to Bankruptcy Court approval) this Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms.

4.2 **Organization, Authority and Qualification of the Company**. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the state of Mississippi and has full corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. The Company is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary.

4.3 **Capitalization**.

The authorized capital stock of the Company consists of [•] shares of common stock, par value [•], of which [•] shares are issued and outstanding and constitute the Stock. All of the shares of Stock have been duly authorized, are validly issued, fully paid and non-assessable, and are owned of record and beneficially by Seller, free and clear of all Encumbrances as to Seller. Upon consummation of the Contemplated Transaction, Purchaser shall own all of the shares of Stock, free and clear of all Encumbrances as to Seller.

(a) All of the shares of Stock were issued in compliance with applicable Laws. None of the shares of Stock were issued in violation of any agreement, arrangement or commitment to which Seller or the Company is a party or is subject to or in violation of any preemptive or similar rights of any Person.

(b) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the Stock or obligating Seller or the Company to issue or sell any shares of capital stock of, or any other interest in, the Company. The Company does not have outstanding or authorized any stock appreciation, phantom stock, profit participation or similar rights. There are no voting trusts, stockholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Stock.

4.4 **Representations and Warranties**. Except as otherwise expressly set forth herein, Seller makes no representation or warranty whatsoever, express or implied, as to the Stock, and it is understood that Purchaser takes such Stock on an "as is" and "where is" basis.

4.5 **Company Group**. Other than the companies comprising the Lower Tier Subsidiaries, the Company does not own, or have any interest in any shares or have an ownership interest in any other Person.

4.6 **Brokers**. Except for the commission due to Equity Partners HG LLC, which is approved by the Bankruptcy Court, Seller has neither engaged nor contracted, and to the knowledge of the Seller, no other Person has made any arrangement by or on behalf of the Seller with any broker or agent in connection with the purchase and sale of the Stock, and no Person is or will become entitled, by reason of any agreement or arrangement entered into or made by or on behalf of Seller to receive any commission, brokerage, finder's fee or other similar compensation arrangement in connection with the consummation of the Contemplated Transaction.

ARTICLE 5
PURCHASER'S REPRESENTATIONS AND WARRANTIES

Purchaser represents and warrants to Seller that the statements contained in this **Article 5** are correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the Effective Date):

5.1 Organization and Authority of Purchaser. Purchaser is a limited liability company duly organized, validly existing and in good standing under the Laws of the state of Mississippi. Subject to Bankruptcy Court approval, Purchaser has full corporate power and authority to enter into this Agreement, to carry out its obligations hereunder and thereunder and to consummate the Contemplated Transaction. This Agreement has been duly executed and delivered by Purchaser, and (subject to Bankruptcy Court approval) this Agreement constitutes a legal, valid and binding obligation of Purchaser enforceable against Purchaser in accordance with its terms. The execution, delivery, and performance by Purchaser of this Agreement and the Contemplated Transaction and thereby have been duly and validly authorized by all necessary limited liability company action. The execution, delivery, and performance by Purchaser of this Agreement do not (a) violate any Laws applicable to Purchaser; (b) violate or conflict with, or permit the cancellation of, or constitute a default under, any agreement to which Purchaser is a party, or by which Purchaser, its business or assets are bound; or (c) violate or conflict with any provision of Purchaser's Governing Documents

5.2 Litigation. There are no actions, suits, claims, or legal or administrative proceedings or investigations pending against Purchaser (or any of its members, Affiliates, officers or governors) that would reasonably be expected to affect adversely the Contemplated Transaction, and Purchaser does not know of or have any reason to be aware of any basis for the same.

5.3 Investment Purpose. Purchaser is acquiring the Stock solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof. Purchaser acknowledges that the Stock is not registered under the Securities Act of 1933, as amended, or any state securities laws, and that the Stock may not be transferred or sold except pursuant to the registration provisions of the Securities Act of 1933, as amended or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

5.4 Informed Purchaser. Purchaser is an informed and sophisticated party. Purchaser has first-hand knowledge of the operations of the Business of Seller and the Company Group, and has further been provided opportunities to engage expert advisors, experienced in the evaluation and purchase of stock that is involved in a bankruptcy case, and Purchaser has undertaken such investigation and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make informed and intelligent decisions with respect to the execution, delivery and performance of this Agreement. Purchaser acknowledges that it has had access to the key employees and facilities of, and Seller has provided Purchaser the opportunity to request and review such documents related to, the Business that Purchaser deems necessary to conduct its due diligence. Purchaser further acknowledges that Seller makes no representation or warranty with respect to (a) any projections, estimates or budgets delivered to or made available to Purchaser or any of its Affiliates, counsel, advisors, accountants or other representatives of future revenues, future results of operations (or any component thereof), future cash flows or future financial condition (or any component thereof) of the Business or any other aspects of the Business or (b) any other information or documents made available to Purchaser or its counsel, advisors, accountants or other representatives with respect to the Business, except as expressly set forth in this Agreement.

ARTICLE 6
ADDITIONAL COVENANTS AND OTHER AGREEMENTS

6.1 Pre-Closing Operations. Except as otherwise provided herein, during the Pre-Closing Period, Seller shall conduct operations in the Ordinary Course of Business and, without the prior written consent of Purchaser, Seller shall not engage in any practice, take any action, or enter into any transaction that would be considered outside the Ordinary Course of Business. Seller shall use its reasonable efforts to retain its customers, employees, licenses and contracts. Seller shall use its reasonable efforts to make full and timely payments on all tax, utility and employee obligations.

6.2 Bankruptcy Case. This Agreement and the Contemplated Transaction hereby are contingent upon the approval and authorization of the Bankruptcy Court. Seller has filed the Sale Motion to seek approval by the Bankruptcy Court of the sale contemplated hereby. Seller shall use its commercially reasonable efforts to obtain the entry of the Final Sale Order as soon as practicable.

6.3 Deposit by Purchaser. The deposit required of the Stalking Horse Bidder is $92,750.00, which is five percent (5%) of the value of its bid, which is valued to be $1,855,000 ($1,000,000.00 for the Cash Purchase Price and $855,000.00 for the Purchase Price for Cash) as of the Petition Date. Purchaser hereby agrees to subordinate $92,750.00 (5% of its estimated bid value as of the Petition Date) of its priorities of DIP Obligations to the claims of the bankruptcy estate of Seller to serve as its five percent (5%) required deposit.

6.4 Bidding Matters. The Sale Procedures Order shall not provide for an expense reimbursement or a break-up fee as bid protections ("**Bid Protections**") for the benefit of Purchaser. The Sale Procedures Order, however, shall require that the minimum acceptable initial overbid be set at $50,000.00 with subsequent bidding in minimum increments of $25,000.00. In order to participate in the Auction, a bidder must satisfy the customary requirements for being a qualified bidder and its bid must satisfy the customary requirements for being a "Qualified Bid." The qualified bidder and Qualified Bid requirements must be set forth in the Sale Procedures Order and must be acceptable to Purchaser. Among other things, in order for a bid to be a "**Qualified Bid**," it must: (i) offer to purchase the Stock on terms and conditions that are substantially the same as, or more favorable to the Seller than, the terms and conditions set forth herein, (ii) be irrevocable and remain in effect until the earlier of the closing of the bid of the successful bidder and November 30, 2017, (iii) include written evidence of a firm, irrevocable commitment for financing, or other satisfactory evidence of the bidder's financial wherewithal to consummate its bid with no financing contingency whatsoever, (iv) not be conditioned on (*x*) the outcome of unperformed due diligence by the bidder (and includes an acknowledgement and representation that the bidder has had an opportunity to conduct any and all required due diligence regarding the purchase or the Stock) or (*y*) obtaining financing; (v) fully disclose the identity of each entity that will be bidding for the Stock or otherwise sponsoring or participating in connection with such bid, and the complete terms of any such participation; (vi) must have a value to the Seller, in its reasonable business judgment, that is greater than or equal to the sum of the value offered under this Agreement; (vii) include an acknowledgment and representation that the bidder will assume the Seller's obligations under the executory contracts and unexpired leases proposed to be assigned (or identifies with particularity which of such contracts and leases the bidder wishes not to assume, or alternatively which additional executory contracts or unexpired leases the bidder wishes to assume), contains full details of the bidder's proposal for the treatment of related cure costs; and it identifies with particularity any executory contract or unexpired lease the assumption and assignment of which is a condition to closing; (viii) include evidence, in form and substance reasonably satisfactory to Seller, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the definitive agreements evidencing its bid; (ix) be accompanied by a good faith deposit in the form of a wire transfer (to a bank account specified by the Seller), certified check or such other form acceptable to the Seller, payable to the order of the Seller (or such other party as the Seller may determine) in an amount equal to five percent (5%) of the submitted bid; (x) includes evidence of the bidder's ability to comply with Section 365 of the Bankruptcy Code (to the extent applicable), including providing adequate assurance of such bidder's ability to perform in the future the contracts and leases proposed in its bid to be assumed by the Seller and assigned to the bidder, in a form that will permit the immediate dissemination of such evidence to the counterparties to such contracts and leases; and (xi) must be submitted by the bid deadline. The Seller shall deliver copies of any bids deemed to be Qualified Bids to Purchaser at least forty-eight (48) hours prior to the commencement of the Auction.

6.5 Access to Information. From the date hereof until the Closing, Seller shall, and shall cause the Company to, (a) afford Purchaser and Purchaser Representatives full and free access to and the right to inspect all of the assets, premises, books and records, contracts and other documents and data related to the Company; (b) furnish Purchaser and Purchaser Representatives with such financial, operating and other data and information related to the Company as Purchaser or any of the Purchaser Representatives may reasonably request; and (c) instruct the representatives of Seller and the Company to cooperate with Purchaser and Purchaser Representatives in their investigation of the Company. Any investigation pursuant to this **Section 6.5** shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of Seller or the Company. No investigation by Purchaser or other information received by Purchaser shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Seller in this Agreement.

ARTICLE 7
TERMINATION

7.1 Seller Breach. If Seller shall breach any of its representations, warranties, covenants or agreements contained in this Agreement in any material respect, Purchaser shall send written notice thereof to Seller in a manner that sufficiently describes such breach (the "**Seller Default Notice**"). If such breach gives rise to the failure of a condition set forth in **Section 3.2** to be satisfied and such breach is not cured before the earlier of the End Date or the tenth (10^{th}) day following Seller's receipt of the Seller Default Notice, Purchaser may terminate this Agreement.

7.2 Purchaser Breach. If Purchaser shall breach any of its representations, warranties, covenants or agreements contained in this Agreement in any material respect, Seller shall send written notice thereof to Purchaser in a manner that sufficiently describes such breach (the "**Purchaser Default Notice**"). If such breach gives rise to the failure of a condition set forth in **Section 3.3** to be satisfied and such breach is not cured before the earlier of the End Date or the tenth (10^{th}) day following Purchaser's receipt of the Purchaser Default Notice, Seller may terminate this Agreement.

7.3 Other Termination Rights. In addition to the termination rights provided in **Sections 7.1** and **7.2** hereof, and notwithstanding anything herein to the contrary, this Agreement may be terminated:

(a) on or before the Closing Date by the written agreement of Purchaser and Seller;

(b) by Seller, if on the Closing Date any of the conditions specified in **Section 3.3** hereof have not been satisfied or otherwise waived in writing by Seller, unless such failure is due to the failure of Seller to perform or comply with any of the covenants, agreements or conditions contained herein to be performed or complied with by it prior to the Closing;

(c) by Purchaser, if on the Closing Date any of the conditions specified in **Section 3.2** hereof have not been satisfied or otherwise waived in writing by Purchaser, unless such failure is due to the failure of Purchaser to perform or comply with any of the covenants, agreements or conditions contained herein to be performed or complied with by it prior to the Closing;

(d) by either Seller or Purchaser if consummation of the Contemplated Transaction is restrained, enjoined or otherwise prohibited by the Bankruptcy Court or Governmental Authority;

(e) by either Seller or Purchaser if the Closing will not have occurred on or before October 16, 2017 (the "**End Date**"), or such later date as the parties may agree in writing; provided that the party seeking to terminate this Agreement will not have breached in any material respect its obligations under this Agreement in a manner that has been the principal cause of the failure of the Contemplated Transaction to close on or before the End Date;

(f) by Purchaser if (i) the Bankruptcy Court has not entered the Sale Procedures Order on or before August 31, 2017, (ii) the Auction has not concluded by

September 27, 2017, (iii) the Bankruptcy Court has not entered the Final Sale Order on or before October 2, 2017, or (iv) at any time after entry of the Final Sale Order, any of the Bid Protections are reversed, stayed, vacated or otherwise modified;

(g) by either Seller or Purchaser if the Bankruptcy Case of Seller is dismissed in whole or in part or converted to Chapter 7 of the Bankruptcy Code; or

(h) by either Seller or Purchaser if the Bankruptcy Court approves the sale or other disposition of the Stock to a different purchaser.

7.4 Effect of Termination. If this Agreement is terminated by Seller or Purchaser in accordance with the terms hereof: (a) this Agreement shall immediately be null, void and of no further force or effect; (b) the rights and obligations of Purchaser and Seller hereunder shall immediately be canceled, terminated and of no further force or effect; (c) the parties shall have no recourse against each other at law or in equity; and (d) no party shall be liable to the other for any reason relating to this Agreement.

ARTICLE 8
MISCELLANEOUS

8.1 Knowledge. Whenever any statement in this Agreement is made by a Person "to its knowledge" or words of similar intent or effect:

(a) An individual shall be deemed to have "knowledge" of a particular fact or other matter if: (i) such individual is actually aware of such fact or other matter, or (ii) such individual received written notice of such fact or other matter; and

(b) A Person (other than an individual) shall be deemed to have "knowledge" of a particular fact or other matter if: (i) any individual who is serving as a director, executive officer, general partner, trustee or similar capacity of such Person has knowledge of such fact or other matter, or (ii) such Person received written notice of such fact or other matter.

8.2 Amendments; Waiver. Any amendment, change or modification of this Agreement shall be void unless in writing and signed by all parties hereto. No failure or delay by any party hereto in exercising any right, power or privilege hereunder, and no course of dealing between or among any of the parties, shall operate as a waiver of any such right, power or privilege. No waiver of any default on any one occasion shall constitute a waiver of any subsequent or other default. No single or partial exercise of any such right, power or privilege shall preclude the further or full exercise thereof.

8.3 Notices.

(a) All notices, demands, requests and other communications required or permitted to be given by any provision of this Agreement shall be in writing (the term "writing" shall include facsimile, electronic mail or other electronic transmission) and sent by (i) first class, regular, registered or certified mail; (ii) commercial delivery service; (iii)air or other overnight delivery service; (iv) facsimile, electronic mail or other electronic transmission; or (v) hand delivery, to the party to be notified addressed as follows:

If to Purchaser:	Trace Residential Properties LLC 1052 Highland Colony Parkway, Suite 204 Ridgeland, MS 39157 Attention: Thomas P. McDonnell, III Telephone: [●] Facsimile: [●] Email: tom.mcdonnell@fsna-inc.com
With a Required Copy to:	Law Offices of Craig M. Geno 587 Highland Colony Parkway Ridgeland, MS 39157 Attention: Craig M. Geno Telephone: (601) 427-0048 Facsimile: (601) 427-0050 Email: cmgeno@cmgenolaw.com
If to Seller:	Franchise Services of North America Inc. 1052 Highland Colony Parkway, Suite 204 Ridgeland, MS 39157 Attention: O. Kendall Moore Telephone: (601) 713-4333 Facsimile: (601) 713-4331 Email: kendall.moore@fsna-inc.com
With a Required Copy to:	Butler Snow LLP Stephen W. Rosenblatt 1020 Highland Colony Parkway, Suite 1400 Ridgeland, MS 39157 Telephone: (601) 985-4504 Facsimile: (601) 985-4500 Email: steve.rosenblatt@butlersnow.com

(b) Any such notice, demand, request or communication shall be deemed to have been given and received for all purposes under this Agreement: (i) three (3) Business Days after the same is deposited in any official depository or receptacle of the United States Postal Service first class certified mail, return receipt requested, postage prepaid; (ii) on the next Business Day after the same is deposited with a nationally recognized overnight delivery service that guarantees overnight delivery; (iii) on the date of confirmed transmission when delivered by facsimile, electronic mail or other electronic transmission, if a copy is also promptly delivered by any of the means set forth in clause (i), (ii), (iii) or (v) of **Section 8.3(a)** above; and (iv) on the date of actual delivery to such party by any other means; provided, however, if the day such notice, demand, request or communication shall be deemed to have been given and received as aforesaid is not a Business Day (or if delivery is made after 5:00 p.m. (recipient's local time) on any Business Day), such notice, demand, request or communication shall be deemed to have been given and received on the next Business Day.

(c) Any party to this Agreement may change such party's address for the purpose of notice, demands, requests and communications required or permitted under this Agreement by providing written notice of such change of address to all of the parties by written notice as provided herein.

8.4 Counterparts. This Agreement may be executed in multiple counterparts, each one of which shall be deemed an original, but all of which shall be considered together as one and the same instrument. Further, in making proof of this Agreement, it shall not be necessary to produce or account for more than one (1) such counterpart. Execution by a party of a signature page hereto shall constitute due execution and shall create a valid, binding obligation of the party so signing, and it shall not be necessary or required that the signatures of all parties appear on a single signature page hereto.

8.5 Electronic Transmission. Delivery of an executed counterpart of this Agreement may be made by electronic transmission. Any such counterpart or signature page sent by electronic transmission shall be deemed to be a written and signed original for all purposes, and a copy of this Agreement containing a signature page that has been delivered by electronic transmission shall constitute an enforceable original document. As used in this Agreement, the term "**electronic transmission**" means and refers to any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved and reviewed by a recipient of the communication, and that may be directly reproduced in paper form by such a recipient through an automated process.

8.6 Expenses. Except as otherwise expressly provided herein, each party hereto shall pay all of its own costs and expenses (including attorneys', accountants' and investment bankers' fees and other out-of-pocket expenses) in connection with the negotiation and execution of this Agreement, the performance of its obligations hereunder and the consummation of the Contemplated Transaction. Without limiting the foregoing, except as otherwise expressly provided herein, each party shall pay its own expenses incurred in connection with its efforts to satisfy the conditions to the other parties' obligation to consummate the Contemplated Transaction.

8.7 Assignment. This Agreement shall be binding upon and inure to the benefit of Purchaser, Seller and their respective representatives, heirs, successors, and permitted assigns. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Seller without the prior written consent of Purchaser. This Agreement, and the rights and obligations of Purchaser hereunder, may be assigned by Purchaser to an Affiliate of Purchaser upon prior written notice to Seller. In the event of any such assignment, such assignee shall assume the obligations of the original party designated as Purchaser hereunder and shall provide written evidence of such assumption to Seller. Upon an assignment by the original party designated as Purchaser hereunder, such assignment and assumption shall relieve Purchaser of its obligations hereunder, and Seller agrees to close the transaction contemplated hereunder with the assignee of Purchaser (subject to the terms and provisions of this Agreement).

8.8 Entire Agreement. This Agreement and the exhibits and schedules attached to this Agreement constitute the entire agreement between the parties hereto and supersede all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject matter hereof.

8.9 Governing Law. This Agreement and its validity, construction, enforcement, and interpretation shall be governed by the substantive laws of the State of Mississippi.

8.10 Invalid Provisions. If any provision of this Agreement is deemed or held to be illegal, invalid or unenforceable, this Agreement shall be considered divisible and inoperative as to such provision to the extent it is deemed to be illegal, invalid or unenforceable, and in all other respects this Agreement shall remain in full force and effect; provided, however, that if any provision of this Agreement is deemed or held to be illegal, invalid or unenforceable there shall be added hereto automatically a provision as similar as possible to such illegal, invalid or unenforceable provision and be legal, valid and enforceable. Further, should any provision contained in this Agreement ever be reformed or rewritten by any judicial body of competent jurisdiction, such provision as so reformed or rewritten shall be binding upon all parties hereto.

8.11 Further Assurances. From time to time after the Closing, at the request of either party but without further consideration, the other party shall execute and deliver such other instruments of conveyance, assignment, transfer, and delivery and take such other action as such party may request in order to transfer to Purchaser title to the Stock and to consummate the Contemplated Transaction.

8.12 Benefits of Agreement. Except as otherwise expressly provided herein, the covenants, stipulations and agreements contained in this Agreement are and shall be for the sole and exclusive benefit of the parties hereto and their respective successors and assigns and nothing contained in this Agreement, expressed or implied, shall be construed to confer upon, or give to, any other Person any right, remedy or claim under or by reason of this Agreement.

8.13 Calculation of Time Periods; Time of Essence. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the designated period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. Central Standard Time or Central Daylight Time, as applicable. Time is of the essence of each of the provisions of this Agreement, unless otherwise specifically provided.

8.14 Section Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the interpretation of this Agreement.

8.15 Attorneys' Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of any alleged dispute, breach, default or misrepresentation in connection with any provisions of this Agreement and such action is successful, the prevailing parties shall be entitled to recover reasonable attorney's fees, court costs and all reasonable expenses, even if not taxable or assessable as court costs (including all such fees, costs and expenses incident to appeal) incurred in that action or proceeding in addition to any other relief to which such party may be entitled.

8.16 Interpretation. The parties hereby agree that each party has reviewed and had the opportunity to review this Agreement, and each party has had the opportunity, whether exercised or not, to have each respective party's attorney review this Agreement. Accordingly, the normal rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement.

8.17 Incorporation by Reference. Every exhibit, schedule, and other appendix attached to this Agreement and referred to herein are hereby incorporated in this Agreement by reference as if set forth verbatim herein.

8.18 Jurisdiction. So long as the Bankruptcy Case is pending, any matter between the parties hereto relating to this Agreement or to any agreement, document or instrument delivered pursuant hereto or in connection with the Contemplated Transaction shall be commenced and maintained exclusively in the Bankruptcy Court, and the parties hereto submit themselves unconditionally and irrevocably to the personal jurisdiction of such court. Except as set forth above in this **Section 8.18**, each of the parties hereto hereby: (a) agrees that the United States Bankruptcy Court in Jackson, Mississippi, shall have exclusive jurisdiction over all matters arising out of this Agreement; (b) agrees not to institute any action in any other forum, and (c) waives any right it may have to assert the defense of *forum non conveniens* or to object to such venue.

8.19 Transaction Expenses. Except as otherwise provided herein, each party shall bear and pay all costs and expenses incurred by and in respect to the Contemplated Transaction, including, but not limited to, attorneys, accountants and investment advisors.

[*Counterpart Signature Pages Follow*]

[*Signature Page to Stock Purchase Agreement*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

BUYER:

[TRACE RESIDENTIAL PROPERTIES LLC]

By: ________________________________
Thomas P. McDonnell III
Managing Member

SELLER:

FRANCHISE SERVICES OF NORTH AMERICA INC.

By: ________________________________
Jonathan J. Nash
Chief Restructuring Officer